

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

WS-04245A

Red Rock Utilities
2200 E. River Road, Suite 115
Tucson, AZ 85718

RECEIVED

ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water & Sewer

FOR YEAR ENDING

12	31	2010
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FOR COMMISSION USE

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4-12-11

COMPANY INFORMATION

Company Name (Business Name) Red Rock Utilities, LLC

Mailing Address 2200 E. River Road, Suite 115

(Street)

Tucson

(City)

AZ

(State)

85718

(Zip)

(520) 577-0200

Telephone No. (Include Area Code)

(520) 299-5602

Fax No. (Include Area Code)

(520) 602-5288

Cell No. (Include Area Code)

Email

Address mweinberg@diamondven.com

Local Office Mailing Address 2200 E. River Road, Suite 115

(Street)

Tucson

(City)

AZ

(State)

85718

(Zip)

(520) 577-0200

Local Office Telephone No. (Include Area Code)

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Fax No. (Include Area Code)

(520) 602-5288

Cell No. (Include Area Code)

Email Address mweinberg@diamondven.com

MANAGEMENT INFORMATION

☐ **Regulatory Contact:**

☒ **Management Contact:** Mark Weinberg

(Name)

General Manager

(Title)

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(Street)

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(City)

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(State)

85718

(Zip)

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Email Address mweinberg@diamondven.com

On Site Manager: Dan Kale

(Name)

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(State)

85718

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Statutory Agent: Chad Kolodisner

(Name)

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Attorney: Michael McNulty

(Name)

One South Church Avenue, #700

(Street)

Tucson

(City)

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(State)

85701

(Zip)

(520) 629-4453

Telephone No. (Include Area Code)

(520) 879-4732

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☒ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☒ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE



BEACHFLEISCHMAN

Independent Accountants' Compilation Report

Members

Red Rock Utilities, LLC
Tucson, Arizona

We have compiled the balance sheet of Red Rock Utilities, LLC as of December 31, 2010, and the related statement of operations for the year then ended and accompanying information on pages 4 through 12, 21, and 23 through 27 of the annual Arizona Corporation Commission report, included in the accompanying form prescribed by the Arizona Corporation Commission, Utilities Division, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have not audited or reviewed the accompanying financial statements and supplementary information and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary information are in accordance with U.S. generally accepted accounting principles.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles and the prescribed information in accordance with the requirements of the Arizona Corporation Commission, Utilities Division, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary information.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements and supplementary information without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements or prescribed information.

The financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, Utilities Division, which differ from U.S. generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such matters. The supplemental information on pages 2 through 3, 13 through 20 and 22 of the annual Arizona Corporation Commission report contain non-financial information that has not been compiled by us, but was provided by management.

BeachFleischman P.C.

March 22, 2011

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WATER UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	54,296		54,296
302	Franchises	95,236	17,199	78,037
303	Land and Land Rights	32,810	6,563	26,247
304	Structures and Improvements	19,884	2,418	17,466
307	Wells and Springs	737,892	152,854	585,038
311	Pumping Equipment	15,917	3,488	12,429
320	Water Treatment Equipment	573,066	67,478	505,588
330	Distribution Reservoirs and Standpipes	1,454,518	286,685	1,167,833
331	Transmission and Distribution Mains	2,335,207	314,908	2,020,299
333	Services	518,785	68,600	450,185
334	Meters and Meter Installations	131,342	18,724	112,618
335	Hydrants	208,018	27,925	180,093
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	651	115	536
340	Office Furniture and Equipment	5,752	1,025	4,727
341	Transportation Equipment	8,224	1,439	6,785
343	Tools, Shop and Garage Equipment	6,692	1,243	5,449
344	Laboratory Equipment	14,718	2,944	11,774
345	Power Operated Equipment	18,224	3,189	15,035
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	6,231,232	976,797	5,254,435

This amount goes on the Balance Sheet Acct. No. 108



WATER CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)**	Depreciation Expense (1x2)
301	Organization	54,296	0.00%	
302	Franchises	95,236	5.00%	4,762
303	Land and Land Rights	32,810	5.00%	1,641
304	Structures and Improvements	19,884	5.00%	994
307	Wells and Springs	737,892	5.00%	36,895
311	Pumping Equipment	15,917	5.00%	796
320	Water Treatment Equipment	573,066	5.00%	28,653
330	Distribution Reservoirs and Standpipes	1,454,518	5.00%	72,726
331	Transmission and Distribution Mains	2,335,207	5.00%	116,760
333	Services	518,785	5.00%	25,939
334	Meters and Meter Installations	131,342	5.00%	6,432
335	Hydrants	208,018	5.00%	10,401
336	Backflow Prevention Devices		5.00%	
339	Other Plant and Misc. Equipment	651	5.00%	33
340	Office Furniture and Equipment	5,752	5.00%	288
341	Transportation Equipment	8,224	5.00%	411
343	Tools, Shop and Garage Equipment	6,692	5.00%	335
344	Laboratory Equipment	14,718	5.00%	736
345	Power Operated Equipment	18,224	5.00%	911
346	Communication Equipment		5.00%	
347	Miscellaneous Equipment		5.00%	
348	Other Tangible Plant		5.00%	
	TOTALS	6,231,232		308,713

This amount (less current year amortization of Contributions in Aid of Construction of \$11,686) goes on the Comparative Statement of Income and Expense Acct. No. 403.

** ½ year convention on depreciation (½ year depreciation on new assets, ½ year on retirements)

SEWER UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization	12,953		12,953
352	Franchises	59,750	11,140	48,610
353	Land and Land Rights	6,539	1,308	5,231
354	Structures and Improvements	14,298	1,972	12,326
355	Power Generation Equipment			
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	5,353,917	773,438	4,580,479
362	Special Collecting Structures			
363	Services to Customers			
366	Reuse Services	26,931	3,297	23,634
374	Reuse Distribution Reservoirs	266,366	19,977	246,389
375	Reuse Transmission & Dist. System	422,717	57,199	365,518
380	Treatment and Disposal Equip.	5,191,579	1,016,243	4,175,336
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment			
390	Office Furniture and Equipment	10,039	1,853	8,186
391	Transportation Equipment	8,224	1,439	6,785
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment	157	28	129
395	Power Operated Equipment			
398	Other Tangible Plant	176	31	145
	TOTALS	11,373,646	1,887,925	9,485,721

This amount goes on the Balance Sheet Acct. No. 108



SEWER CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)**	Depreciation Expense (1x2)
351	Organization	12,953	0.00%	
352	Franchises	59,750	5.00%	2,988
353	Land and Land Rights	6,539	5.00%	327
354	Structures and Improvements	14,298	5.00%	715
355	Power Generation Equipment		5.00%	
360	Collection Sewers – Force		5.00%	
361	Collection Sewers – Gravity	5,353,917	5.00%	267,696
362	Special Collecting Structures		5.00%	
363	Services to Customers		5.00%	
366	Reuse Services	26,931	5.00%	1,347
374	Reuse Distribution Reservoirs	266,366	5.00%	13,318
375	Reuse Transmission & Dist. System	422,717	5.00%	21,015
380	Treatment and Disposal Equip.	5,191,579	5.00%	259,465
381	Plant Sewers		5.00%	
382	Outfall Sewer Lines		5.00%	
389	Other Plant and Misc. Equipment		5.00%	
390	Office Furniture and Equipment	10,039	5.00%	502
391	Transportation Equipment	8,224	5.00%	411
393	Tools, Shop and Garage Equip.		5.00%	
394	Laboratory Equipment	157	5.00%	8
395	Power Operated Equipment		5.00%	
398	Other Tangible Plant	176	5.00%	9
	TOTALS	11,373,646		567,801

This amount (less current year amortization of Contributions in Aid of Construction of \$27,452) goes on the Comparative Statement of Income and Expense Acct. No. 403.

** ½ year convention on depreciation (½ year depreciation on new assets, ½ year on retirements)

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$527,978	\$985,758
134	Working Funds		
135	Temporary Cash Investments	214,468	214,468
141	Customer Accounts Receivable	37,724	79,035
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	7,924	2,215
	TOTAL CURRENT AND ACCRUED ASSETS	\$788,094	\$1,281,476
	FIXED ASSETS		
101	Utility Plant in Service	\$17,590,130	\$17,604,878
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(1,988,208)	(2,864,722)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$15,601,922	\$14,740,156
	TOTAL ASSETS	\$16,390,016	\$16,021,632

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable		
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	\$189,096	\$209,231
236	Accrued Taxes	8,311	10,615
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$197,407	\$219,846
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds		
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	\$8,045,546	\$8,719,573
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	782,758	782,758
272	Less: Amortization of Contributions	(19,569)	(58,707)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$8,808,735	\$9,443,624
	TOTAL LIABILITIES	\$9,006,142	\$9,663,470
	CAPITAL ACCOUNTS		
201	Common Stock Issued		
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	7,383,874	6,358,162
	TOTAL CAPITAL	\$7,383,874	\$6,358,162
	TOTAL LIABILITIES AND CAPITAL	\$16,390,016	\$16,021,632

WATER COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$330,646	\$293,093
460	Unmetered Water Revenue		
474	Other Water Revenues	10,095	10,137
	TOTAL REVENUES	\$340,741	\$303,230
	OPERATING EXPENSES		
601	Salaries and Wages	\$58,278	\$60,777
610	Purchased Water		
615	Purchased Power	11,928	17,597
618	Chemicals	1,661	3,074
620	Repairs and Maintenance	13,196	15,022
621	Office Supplies and Expense	4,984	2,326
630	Outside Services	51,632	60,110
635	Water Testing		465
641	Rents		200
650	Transportation Expenses		
657	Insurance -- General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense -- Rate Case		
675	Miscellaneous Expense	10,578	20,561
403	Depreciation Expense	268,347	297,027
408	Taxes Other Than Income	21,144	22,790
408.11	Property Taxes	635	1,268
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$442,383	\$501,217
	OPERATING INCOME/(LOSS)	\$(101,642)	\$(197,987)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$9,462	\$799
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$9,462	\$799
	NET INCOME/(LOSS)	\$(92,180)	\$(197,188)

SEWER COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	\$215,715	\$233,086
522	Measured Revenues		
536	Other Wastewater Revenues	18,300	39,367
	TOTAL REVENUES	\$234,015	\$272,453
	OPERATING EXPENSES		
701	Salaries and Wages	\$33,404	\$33,877
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense		
715	Purchased Power	42,788	54,731
719	Purchased Water	6,598	1,233
720	Materials and Supplies	5,849	23,713
721	Office Supplies and Expenses	1,934	2,756
731	Contractual Services – Professional	40,198	30,850
734	Contractual Services – Management Fees	7,000	6,000
735	Contractual Services – Testing		18,590
736	Contractual Services – Other	168,905	220,309
750	Transportation Expense		
755	Insurance Expense	14,051	16,511
765	Regulatory Commission Expense		
775	Miscellaneous Expense	14,600	28,822
403	Depreciation Expense	500,309	540,349
408	Taxes Other Than Income	45	
408.11	Property Taxes	31,909	19,963
409	Income Taxes		
	TOTAL OPERATING EXPENSES	\$867,590	\$997,704
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$2,147	\$2,727
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXPENSE	\$2,147	\$2,727
	NET INCOME/(LOSS)	\$(631,428)	\$(722,524)

COMPANY NAME Red Rock Utilities, LLC

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$167,301

Meter Deposits Refunded During the Test Year

\$19,247

COMPANY NAME Red Rock Utilities, LLC
Name of System: Red Rock Utilities, LLC ADEQ Public Water System Number: 11-160

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-599556	75	750	800	16"	6"	2003
55-599557	75	750	900	16"	6"	2003

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
75	1	64	
20	1		
50	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
900,000	1	5,000 GLN	2

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME Red Rock Utilities, LLC		
Name of System: Red Rock Utilities, LLC	ADEQ Public Water System Number: 11-160	

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	C900	142
8	C900 PVC	28,247
10		
12	C900 PVC	12,980
6	Ductile (DIP)	2,130
12	Ductile (DIP)	735

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X ¾	528
3/4	
1	5
1 1/2	1
2	3
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

Ion Exchange / Removal

Water Treatment plant for Nitrate removal / remediation utilizing an Ion exchange process at Well #1

STRUCTURES:

CL 2 Building

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Red Rock Utilities, LLC		
Name of System: Red Rock Utilities, LLC	ADEQ Public Water System Number: 11-160	

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	525	2,797	2,503	
FEBRUARY	529	3,137	2,076	
MARCH	536	3,738	2,766	
APRIL	540	2,815	3,022	
MAY	546	3,076	3,275	
JUNE	546	4,118	5,900	
JULY	549	4,701	6,567	
AUGUST	544	7,274	7,906	
SEPTEMBER	547	8,638	7,765	
OCTOBER	547	8,142	6,677	
NOVEMBER	547	3,110	4,498	
DECEMBER	548	7,519	7,742	
TOTALS →		59,065	60,697	

What is the level of arsenic for each well on your system?

(If more than one well, please list each separately.)

Well #1 – 0.002 mg/l

Well #2 – 0.002 mg/l

If system has fire hydrants, what is the fire flow requirement? 1,500 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

☐ Yes

☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes

☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes

☒ No

If yes, provide the GPCPD amount: N/A

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: Red Rock Utilities, LLC		
Name of System: Red Rock Utilities, LLC	ADEQ Public Water System Number: 11-160	

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		11	
FEBRUARY		13	
MARCH		17	
APRIL		15	
MAY		16	
JUNE		18	
JULY		16	
AUGUST		23	
SEPTEMBER		23	
OCTOBER		22	
NOVEMBER		22	
DECEMBER		25	
TOTALS →		221	

OTHER (description):

COMPANY NAME Red Rock Utilities, LLC

Name of System: Red Rock Utilities, LLC

Wastewater Inventory Number (if applicable): 105421

WASTEWATER COMPANY PLANT DESCRIPTION
TREATMENT FACILITY

TYPE OF TREATMENT
(Extended Aeration, Step Aeration, Oxidation
Ditch, Aerobic Lagoon, Anaerobic Lagoon,
Trickling Filter, Septic Tank, Wetland, Etc.)

SBR
Sequential Batch Reactor

DESIGN CAPACITY OF PLANT
(Gallons Per Day)

.300 MGD

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
33786 Spirit Lane (WRF)	2	15	625	4,680

FORCE MAINS

Size	Material	Length (Feet)
4-inch	None	
6-inch	None	
8-inch	Ductile Iron	60 ft

MANHOLES

Type	Quantity
Standard	155
Drop	0

CLEANOUTS

Quantity
6

***Note: If you are filing for more than one system, please provide separate sheets
for each system.***

COMPANY NAME Red Rock Utilities, LLC		
Name of System: Red Rock Utilities, LLC		Wastewater Inventory Number (if applicable): 105421

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4		
6		
8	SDR 35 PVC	58,128
10		
12	SDR 35 PVC	2,670
15	SDR 35 PVC	1,542
18	SDR 35 PVC	6,314
21		
24	Ductile Iron (DIP)	60
30		
18	Ductile	308

SERVICES

Size (in inches)	Material	Quantity
4	PVC	768
6	PVC	2
8		
12		
15		

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY PER WASTEWATER SYSTEM

SOLIDS PROCESSING AND HANDLING FACILITIES	Noxon Centrifuge
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Sun Light Systems Ultra Violet Light
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Miami Filters Sand Filters
STRUCTURES (Buildings, Fences, Etc.)	Red Rock WRF Operations Building
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	Incubator, Muffle Furnace, Laboratory, Refrigerator, Oven, Nitrate Analyzer, PH Analyzer, Electronic Scale, Generac 350 K W Standby Generator

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME Red Rock Utilities, LLC	
Name of System: Red Rock Utilities, LLC	Wastewater Inventory Number (if applicable): 105421

WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
January	525	1,845,000	73,000
February	529	1,651,000	88,000
March	536	1,757,000	75,000
April	540	1,717,000	76,000
May	546	1,755,000	83,000
June	546	1,653,000	63,000
July	549	1,738,000	67,000
August	544	1,838,000	73,000
September	547	1,723,000	71,000
October	547	1,804,000	74,000
November	547	1,905,000	82,000
December	548	1,902,000	79,000

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE **PER WASTEWATER SYSTEM**

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Surface Water Discharge
Groundwater Permit Number	
ADEQ Aquifer Protection Permit Number	P-105621
ADEQ Reuse Permit Number	R105978
EPA NPDES Permit Number	AZ0025143

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Red Rock Utilities, LLC	
Name of System: Red Rock Utilities, LLC	Wastewater Inventory Number (if applicable): 105421

UTILITY SHUTOFFS / DISCONNECTS

MONTH		Termination without Notice R14-2- 609.B	Termination with Notice R14-2- 609.C	OTHER
JANUARY				
FEBRUARY				
MARCH				
APRIL				
MAY				
JUNE				
JULY				
AUGUST				
SEPTEMBER				
OCTOBER				
NOVEMBER				
DECEMBER				
TOTALS →		0	0	

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: \$18,926

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED

ACCUTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

**I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME) **Pinal County**

NAME (OWNER OR OFFICIAL) TITLE **Diamond Ventures, Inc., an
Arizona Corporation, Manager, by its Vice President, Mark
Weinberg**

COMPANY NAME **Red Rock Utilities, LLC**

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE
ARIZONA CORPORATION COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS,
PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY
EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND
CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE
PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY
MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE,
INFORMATION AND BELIEF.**

SWORN STATEMENT

**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT
AND PAID IN FULL.**

**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND
PAID IN FULL.**

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11th

DAY OF

COUNTY NAME

PIMA

MONTH

APRIL

2011



OFFICIAL SEAL (SEAL)
LINDA MASON-FREW
Notary Public - State of Arizona
MY COMMISSION EXPIRES
My Comm. Expires May 10, 2013

5/10/2013

Linda Mason-Frew

SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Red Rock Utilities, LLC YEAR ENDING 12/31/2010

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

4/14/11

DATE

MARK WEINBERG

PRINTED NAME

GENERAL MANAGER

TITLE

**VERIFICATION
AND
SWORN STATEMENT (SEWER)
Intrastate Revenues Only**

RECEIVED
ACC UTILITIES DIRECTOR

VERIFICATION
STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Pinal County
NAME (OWNER OR OFFICIAL) TITLE Diamond Ventures, Inc., an Arizona Corporation, Manager, by its Vice President, Mark Weinberg
COMPANY NAME Red Rock Utilities, LLC

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

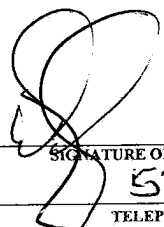
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 272,453

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
525-577-0208
TELEPHONE NUMBER

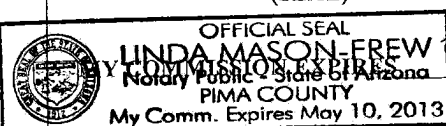
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11th DAY OF

COUNTY NAME PIMA	
MONTH APRIL	2011

(SEAL)




SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE (SEWER)
Intrastate Revenues Only**

RECEIVED

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Pinal County	
NAME (OWNER OR OFFICIAL) Diamond Ventures, Inc., an Arizona Corporation, Manager by its Vice President, Mark Weinberg	TITLE
COMPANY NAME Red Rock Utilities, LLC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

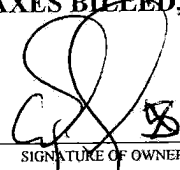
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 245,082

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL
520-577-0200
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11th

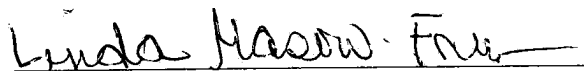
DAY OF

NOTARY PUBLIC NAME LINDA MASON-FREW	
COUNTY NAME PIMA	
MONTH APRIL	2011



MY COMMISSION EXPIRES

5/10/13


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT (WATER)
Intrastate Revenues Only**

RECEIVED

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>Final County</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Diamond Ventures, Inc., an Arizona Corporation, Manager by its Vice President, Mark Weinberg</u>
COMPANY NAME <u>Red Rock Utilities, LLC</u>

ACC UTILITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 303,230

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 22,790
IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11th DAY OF

SIGNATURE OF OWNER OR OFFICIAL
[Signature]
TELEPHONE NUMBER 520-577-0200

COUNTY NAME <u>PIMA</u>
MONTH <u>APRIL</u> , 20 <u>11</u>

Linda Mason-Frew
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE (WATER)
INTRASTATE REVENUES ONLY**

RECEIVED
ACC UTILITIES DIRECTOR

**VERIFICATION
STATE OF ARIZONA**

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Pinal County	
NAME (OWNER OR OFFICIAL) Diamond Ventures, Inc., an Arizona Corporation, Manager by its Vice President, Mark Weinberg	
COMPANY NAME Red Rock Utilities, LLC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

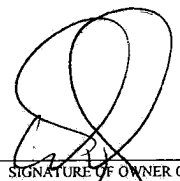
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 148,279

**(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 11,144
IN SALES TAXES BILLED, OR COLLECTED**

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**




SIGNATURE OF OWNER OR OFFICIAL

520-577-3240

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

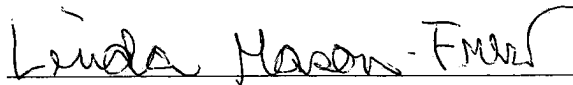
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11th **DAY OF** APRIL
 **LINDA MASON-FREW**
Notary Public - State of Arizona
PIMA COUNTY
My Comm. Expires May 10, 2013

MY COMMISSION EXPIRES

5/10/13

NOTARY PUBLIC NAME	LINDA MASON-FREW
COUNTY NAME	PIMA
MONTH	APRIL
	2011



SIGNATURE OF NOTARY PUBLIC

**RED ROCK UTILITIES, LLC
(WATER DELIVERY AND WASTEWATER OPERATIONS)**

BALANCE SHEET

**DECEMBER 31, 2010
(See Independent Accountants' Compilation Report)**

Docket No. W-02160A

ASSETS

Total property and equipment, net	<u>\$ 14,740,156</u>
Current assets:	
Cash and cash equivalents	985,758
Temporary cash investments	214,468
Accounts receivable	79,035
Other current assets	<u>2,215</u>
Total current assets	<u>1,281,476</u>
	<u><u>\$ 16,021,632</u></u>

CAPITALIZATION AND LIABILITIES

Capitalization:	
Capital accounts	<u>\$ 6,358,162</u>
Deferred credit:	
Advances in aid of construction	8,719,573
Contributions in aid of construction, net	<u>724,051</u>
Total deferred credits	<u>9,443,624</u>
Current liabilities	<u>219,846</u>
	<u><u>\$ 16,021,632</u></u>

**RED ROCK UTILITIES, LLC
(WATER DELIVERY AND WASTEWATER OPERATIONS)**

STATEMENT OF OPERATIONS

**YEAR ENDED DECEMBER 31, 2010
(See Independent Accountants' Compilation Report)**

Docket No. W-02160A

Operating revenues	\$ 575,683
Operating expenses	<u>1,498,921</u>
Operating loss	(923,238)
Other income	<u>3,526</u>
Net loss	<u><u>\$ (919,712)</u></u>